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 UNITED STATES OF AMERICA
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 11 UNITED STATES DISTRICT COURT
 12 FOR THE CENTRAL DISTRICT OF CALIFORNIA

13 UNITED STATES OF AMERICA,) SA CR No. 11-180-CJC
 14 Plaintiff,)
 15 v.) PLEA AGREEMENT FOR
 16 RICHARD AYVAZYAN, et al.,) DEFENDANT RICHARD AYVAZYAN
 17 Defendants.)
 18)
 19)

20 1. This constitutes the plea agreement between RICHARD
 21 AYVAZYAN ("defendant") and the United States Attorney's Office
 22 for the Central District of California ("the USAO") in the above-
 23 captioned case. This agreement is limited to the USAO and cannot
 24 bind any other federal, state, local, or foreign prosecuting,
 25 enforcement, administrative, or regulatory authorities.
 26
 27
 28

1 DEFENDANT'S OBLIGATIONS

2 2. Defendant agrees to:

3 a) At the earliest opportunity requested by the USAO
4 and provided by the Court, appear and plead guilty to the one-
5 count indictment in United States v. Richard Ayvazyan, et al.,
6 SA CR No. 11-180-CJC, which charges defendant with conspiracy to
7 commit bank fraud in violation of 18 U.S.C. § 371.

8 b) Not contest facts agreed to in this agreement.

9 c) Abide by all agreements regarding sentencing factors
10 contained in this agreement.

11 d) Appear for all court appearances, surrender as
12 ordered for service of sentence, obey all conditions of any bond,
13 and obey any other ongoing court order in this matter.

14 e) Not commit any crime; however, offenses that would
15 be excluded for sentencing purposes under United States
16 Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines")
17 § 4A1.2(c) are not within the scope of this agreement.

18 f) Be truthful at all times with Pretrial Services, the
19 United States Probation Office, and the Court.

20 g) Pay the applicable special assessment at or before
21 the time of sentencing unless defendant lacks the ability to pay
22 and submits a completed financial statement (form OBD-500) to the
23 USAO prior to sentencing.

24 THE USAO'S OBLIGATIONS

25 3. The USAO agrees to:

26 a) Not contest facts agreed to in this agreement.
27
28

1 b) Abide by all agreements regarding sentencing factors
2 contained in this agreement.

3 c) At the time of sentencing, provided that defendant
4 demonstrates an acceptance of responsibility for the offense up
5 to and including the time of sentencing, recommend a two-level
6 reduction in the applicable Sentencing Guidelines offense level,
7 pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary,
8 move for an additional one-level reduction if available under
9 that section.

10 d) Recommend that defendant be sentenced to a term of
11 imprisonment no higher than the low end of the applicable
12 Sentencing Guidelines range.

13 NATURE OF THE OFFENSE

14 4. Defendant understands that for defendant to be guilty of
15 the crime charged in count one (conspiracy to commit bank fraud
16 in violation of Title 18, United States Code, Section 371), the
17 following must be true: (1) beginning in or around November 2007,
18 and continuing to in or around June 2011, there was an agreement
19 between two or more persons to commit at least one crime,
20 specifically a violation of Title 18, United States Code, Section
21 1344 (Bank Fraud); (2) defendant became a member of the
22 conspiracy knowing of at least one of its objects and intending
23 to help accomplish it; and (3) one of the members of the
24 conspiracy performed at least one overt act for the purpose of
25 carrying out the conspiracy.

26 In order for defendant to be guilty of a violation of Title
27 18, United States Code, Section 1344 (Bank Fraud), the following
28 must be true: (1) the defendant knowingly carried out a scheme or

1 plan to obtain money or property from a financial institution by
2 making false statements or promises; (2) the defendant knew that
3 the statements or promises were false; (3) the statements or
4 promises were material, that is, they had a natural tendency to
5 influence, or were capable of influencing, a financial
6 institution to part with money or property; (4) the defendant
7 acted with the intent to defraud, that is, the intent to deceive
8 or cheat; and (5) the financial institution was federally
9 insured.

10 Defendant admits that defendant is, in fact, guilty of this
11 offense as described in count one of the indictment.

12 PENALTIES

13 5. Defendant understands that the statutory maximum
14 sentence that the Court can impose for a violation of Title 18,
15 United States Code, Section 371 is: 5 years imprisonment; a fine
16 of \$250,000 or twice the gross gain or gross loss resulting from
17 the offense, whichever is greatest; a 3-year period of supervised
18 release; and a mandatory special assessment of \$100.

19 6. Defendant understands that supervised release is a
20 period of time following imprisonment during which defendant will
21 be subject to various restrictions and requirements. Defendant
22 understands that if defendant violates one or more of the
23 conditions of any supervised release imposed, defendant may be
24 returned to prison for all or part of the term of supervised
25 release authorized by statute for the offense that resulted in
26 the term of supervised release, which could result in defendant
27 serving a total term of imprisonment greater than the statutory
28 maximum stated above.

1 7. Defendant understands that, by pleading guilty,
2 defendant may be giving up valuable government benefits and
3 valuable civic rights, such as the right to vote, the right to
4 possess a firearm, the right to hold office, and the right to
5 serve on a jury. Defendant understands that once the court
6 accepts defendant's guilty plea, it will be a federal felony for
7 defendant to possess a firearm or ammunition. Defendant
8 understands that the conviction in this case may also subject
9 defendant to various other collateral consequences, including but
10 not limited to revocation of probation, parole, or supervised
11 release in another case and suspension or revocation of a
12 professional license. Defendant understands that unanticipated
13 collateral consequences will not serve as grounds to withdraw
14 defendant's guilty plea.

15 8. Defendant understands that, if defendant is not a United
16 States citizen, the felony conviction in this case may subject
17 defendant to removal, also known as deportation, which may, under
18 some circumstances, be mandatory. The court cannot, and
19 defendant's attorney also may not be able to, advise defendant
20 fully regarding the immigration consequences of the felony
21 conviction in this case. Defendant understands that unexpected
22 immigration consequences will not serve as grounds to withdraw
23 defendant's guilty plea.

24 9. Defendant understands that defendant will be required to
25 pay full restitution to the victims of the offense. Defendant
26 agrees that, in return for the USAO's compliance with its
27 obligations under this agreement, the amount of restitution is
28 not restricted to the amount alleged in the count to which

1 defendant is pleading guilty and may include losses arising from
2 all relevant conduct in connection with the count. The parties
3 currently believe that the applicable amount of restitution is no
4 more than \$1,029,200.

5 FACTUAL BASIS

6 10. Defendant and the USAO agree to the statement of facts
7 provided below. Defendant and the USAO agree that this statement
8 of facts is sufficient to support a plea of guilty to the charge
9 described in this agreement and to establish the Sentencing
10 Guidelines factors set forth in paragraph 12 below but is not
11 meant to be a complete recitation of all facts relevant to the
12 underlying criminal conduct or all facts known to either party
13 that relate to that conduct.

14 Beginning in or around November 2007 and continuing to June
15 2011, defendant conspired with co-defendant M.T. to commit bank
16 fraud against Bank of the West, a federally-insured financial
17 institution. Defendant also committed bank fraud against Bank of
18 America and Chase Bank, both federally-insured financial
19 institutions. Defendant and/or M.T. knowingly, and with the
20 intent to defraud, falsely inflated their income in applications
21 for residential mortgages and lines of credit with Bank of
22 America, Chase Bank, and Bank of the West. In support of the
23 applications, defendant and/or M.T. provided false documentation
24 to Bank of America, Chase Bank, and Bank of the West, including
25 false W-2s and false tax returns, to substantiate the stated
26 false income.

1 Based on the false applications, Bank of America and Bank of
2 the West provided defendant and M.T. loans/lines of credit that
3 they would not have qualified for based on their actual income.

4 In furtherance of the conspiracy, on or about November 6,
5 2007, defendant falsely reported that his monthly income was
6 \$44,000 from In-Line Investments, Inc., in a Bank of America
7 application for a home equity line of credit ("HELOC") of
8 \$500,000 on his residence at XXXX Encino Ave., Encino,
9 California; when in truth and in fact, defendant earned
10 approximately \$76,000 and \$36,000 in annual income from In-Line
11 Investments in 2007 and 2008, respectively. Once the HELOC
12 funded, on or about March 17, 2008, defendant withdrew \$500,000
13 from the HELOC and transferred the funds to his personal Bank of
14 America account held jointly with defendant M.T. Based on
15 defendant's actions, Bank of America lost money in an amount
16 which the parties believe does not exceed \$470,000.

17 On or about July 28, 2010, defendant sold his residence at
18 XXXX Encino Avenue to his mother in a short sale that caused
19 Chase Bank to lose money in an amount that does not exceed
20 \$559,200. On July 12, 2010, defendant caused his mother to
21 submit a letter to the bank stating that she was not related to
22 the owner of the property. Based on this letter, Chase Bank
23 completed the short sale.

24 Based on the above conspiracy, defendant caused losses to
25 Bank of America and Chase Bank.

26 SENTENCING FACTORS

27 11. Defendant understands that in determining defendant's
28 sentence the Court is required to consider the factors set forth

1 in 18 U.S.C. § 3553(a)(1)-(7), including the kinds of sentence
2 and sentencing range established under the Sentencing Guidelines.
3 Defendant understands that the Sentencing Guidelines are advisory
4 only, that defendant cannot have any expectation of receiving a
5 sentence within the Sentencing Guidelines range, and that after
6 considering the Sentencing Guidelines and the other § 3553(a)
7 factors, the Court will be free to exercise its discretion to
8 impose any sentence it finds appropriate up to the maximum set by
9 statute for the crime of conviction.

10 12. Defendant and the USAO agree to the following
11 applicable Sentencing Guidelines factors:

12 Base Offense Level : 6 [U.S.S.G. § 2B1.1(a)(2)]

13 The government believes that defendant caused over one
14 million dollars in loss and therefore, a 16-level enhancement
15 should apply under U.S.S.G. § 2B1.1(b)(1)(I). However, defendant
16 reserves the right to argue for a lower loss amount and/or that
17 additional specific offense characteristics, adjustments, and
18 departures under the Sentencing Guidelines are appropriate.

19 13. Defendant understands that there is no agreement as to
20 defendant's criminal history or criminal history category.

21 14. Defendant reserves the right to argue for a sentence
22 outside the sentencing range established by the Sentencing
23 Guidelines based on the factors set forth in 18 U.S.C.
24 § 3553(a)(1), (a)(2), (a)(3), (a)(6), and (a)(7).

25 WAIVER OF CONSTITUTIONAL RIGHTS

26 15. Defendant understands that by pleading guilty,
27 defendant gives up the following rights:

28 a) The right to persist in a plea of not guilty.

1 b) The right to a speedy and public trial by jury.

2 c) The right to the assistance of an attorney at trial,
3 including the right to have the Court appoint an attorney to
4 represent defendant at trial. Defendant understands, however,
5 that, despite defendant's guilty plea, defendant retains the
6 right to be represented by an attorney -- and, if necessary, to
7 have the Court appoint an attorney if defendant cannot afford one
8 -- at every other stage of the proceeding.

9 d) The right to be presumed innocent and to have the
10 burden of proof placed on the government to prove defendant
11 guilty beyond a reasonable doubt.

12 e) The right to confront and cross-examine witnesses
13 against defendant.

14 f) The right to testify on defendant's own behalf and
15 present evidence in opposition to the charges, including calling
16 witnesses and subpoenaing those witnesses to testify.

17 g) The right not to be compelled to testify, and, if
18 defendant chose not to testify or present evidence, to have that
19 choice not be used against defendant.

20 h) Any and all rights to pursue any affirmative
21 defenses, Fourth Amendment or Fifth Amendment claims, and other
22 pretrial motions that have been filed or could be filed.

23 WAIVER OF APPEAL OF CONVICTION

24 16. Defendant understands that, with the exception of an
25 appeal based on a claim that defendant's guilty plea was
26 involuntary, by pleading guilty defendant is waiving and giving
27 up any right to appeal defendant's conviction on the offense to
28 which defendant is pleading guilty.

1 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

2 17. Defendant agrees that, provided the Court imposes a
3 term of imprisonment within or below the range corresponding to
4 an offense level of 17 and the criminal history category
5 calculated by the Court, defendant gives up the right to appeal
6 all of the following: (a) the procedures and calculations used to
7 determine and impose any portion of the sentence; (b) the term of
8 imprisonment imposed by the Court; (c) the fine imposed by the
9 court, provided it is within the statutory maximum; (d) the
10 amount and terms of any restitution order, provided it requires
11 payment of no more than \$1,029,200; (e) the term of probation or
12 supervised release imposed by the Court, provided it is within
13 the statutory maximum; and (f) any of the following conditions of
14 probation or supervised release imposed by the Court: the
15 standard conditions set forth in General Orders 318, 01-05,
16 and/or 05-02 of this Court; the drug testing conditions mandated
17 by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug
18 use conditions authorized by 18 U.S.C. § 3563(b)(7).

19 18. The USAO agrees that, provided (a) all portions of the
20 sentence are at or below the statutory maximum specified above
21 and (b) the Court imposes a term of imprisonment within or below
22 the range corresponding to an offense level of 17 and the
23 criminal history category calculated by the Court, the USAO gives
24 up its right to appeal any portion of the sentence, with the
25 exception that the USAO reserves the right to appeal the amount
26 of restitution ordered if that amount is less than \$1,029,200.

1 RESULT OF WITHDRAWAL OF GUILTY PLEA

2 19. Defendant agrees that if, after entering a guilty plea
3 pursuant to this agreement, defendant seeks to withdraw and
4 succeeds in withdrawing defendant's guilty plea on any basis
5 other than a claim and finding that entry into this plea
6 agreement was involuntary, then the USAO will be relieved of all
7 of its obligations under this agreement.

8 EFFECTIVE DATE OF AGREEMENT

9 20. This agreement is effective upon signature and
10 execution of all required certifications by defendant,
11 defendant's counsel, and an Assistant United States Attorney.

12 BREACH OF AGREEMENT

13 21. Defendant agrees that if defendant, at any time after
14 the signature of this agreement and execution of all required
15 certifications by defendant, defendant's counsel, and an
16 Assistant United States Attorney, knowingly violates or fails to
17 perform any of defendant's obligations under this agreement ("a
18 breach"), the USAO may declare this agreement breached. All of
19 defendant's obligations are material, a single breach of this
20 agreement is sufficient for the USAO to declare a breach, and
21 defendant shall not be deemed to have cured a breach without the
22 express agreement of the USAO in writing. If the USAO declares
23 this agreement breached, and the Court finds such a breach to
24 have occurred, then: (a) if defendant has previously entered a
25 guilty plea pursuant to this agreement, defendant will not be
26 able to withdraw the guilty plea, and (b) the USAO will be
27 relieved of all its obligations under this agreement.

COURT AND PROBATION OFFICE NOT PARTIES

22. Defendant understands that the Court and the United States Probation Office are not parties to this agreement and need not accept any of the USAO's sentencing recommendations or the parties' agreements to facts or sentencing factors.

23. Defendant understands that both defendant and the USAO are free to: (a) supplement the facts by supplying relevant information to the United States Probation Office and the Court, (b) correct any and all factual misstatements relating to the Court's Sentencing Guidelines calculations, and (c) argue on appeal and collateral review that the Court's Sentencing Guidelines calculations are not error, although each party agrees to maintain its view that the calculations in paragraph 12 are consistent with the facts of this case. While this paragraph permits both the USAO and defendant to submit full and complete factual information to the United States Probation Office and the Court, even if that factual information may be viewed as inconsistent with the facts agreed to in this agreement, this paragraph does not affect defendant's and the USAO's obligations not to contest the facts agreed to in this agreement.

24. Defendant understands that even if the Court ignores any sentencing recommendation, finds facts or reaches conclusions different from those agreed to, and/or imposes any sentence up to the maximum established by statute, defendant cannot, for that reason, withdraw defendant's guilty plea, and defendant will remain bound to fulfill all defendant's obligations under this agreement. Defendant understands that no one -- not the prosecutor, defendant's attorney, or the Court -- can make a

1 binding prediction or promise regarding the sentence defendant
2 will receive, except that it will be within the statutory
3 maximum.

4 NO ADDITIONAL AGREEMENTS

5 25. Defendant understands that, except as set forth herein,
6 there are no promises, understandings, or agreements between the
7 USAO and defendant or defendant's attorney, and that no
8 additional promise, understanding, or agreement may be entered
9 into unless in a writing signed by all parties or on the record
10 in court.

11 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

12 26. The parties agree that this agreement will be
13 considered part of the record of defendant's guilty plea hearing
14 as if the entire agreement had been read into the record of the
15 proceeding.


16 AGREED AND ACCEPTED

17 UNITED STATES ATTORNEY'S OFFICE
18 FOR THE CENTRAL DISTRICT OF CALIFORNIA


19 ANDRÉ BIROTTE JR.
20 United States Attorney

21 JENNIFER L. WAIER
22 Assistant United States Attorney

1/20/12
Date

23 
24 RICHARD AYVAZYAN
25 Defendant


01/20/2012
Date

26 
27 BARRY TARLOW
28 Attorney for Defendant
RICHARD AYVAZYAN

1/20/12
Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

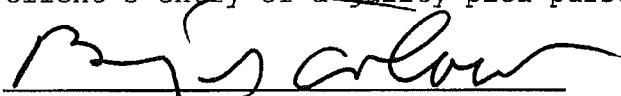


RICHARD AYVAZIAN
Defendant

01/20/2012
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am RICHARD AYVAZYAN's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.


BARRY TARLOW
Attorney for Defendant
RICHARD AYVAZYAN


Date